PROJECT DESCRIPTION July 21, 2004

The Forum at Sunnyvale is a mixed-use retail, entertainment, office and housing development planned for Block 18 in Downtown Sunnyvale. The redevelopment of Block 18 is the key component in the revitalization of the Downtown Sunnyvale.

The existing Town Center Mall is an enclosed mall plus three anchor tenant buildings for Macy's, Target and JCPenney; a single level unoccupiable parking deck and a recently built multi-level parking structure. The proposed redevelopment includes the existing Town Center Mall area plus multiple buildings along Mathilda in Block 18, as outlined in blue above. With the



exception of Macy's and Target, which are open for business, and the new parking structure, all structures within the proposed project area will be demolished.

The new development will include first and second level retail, a third-level 16-screen cinema, second, third and fourth level office space over retail on Mathilda, multi-level housing over retail on McKinley and Washington, grade level housing on Iowa, and new three new parking decks. Murphy Avenue will extend into the site to the existing parking structure and McKinley Street will be rebuilt as a main east-west axis through the site from Mathilda to Sunnyvale Avenue, thereby re-establishing an internal street grid where the existing Mall is now located. The existing grove of redwood trees will be retained and be a part of a new centrally located plaza.

Retail	SF	Description
Theatre	59,217	16-screens
Existing Macy's	177,000	
Existing Target	152,621	
Retail	541,162	88.5%
Restaurants	70,000	11.5%
	1,000,000	
Office	275,000	
TOTAL - Office & Retail	1,275,000	
Residential	366,500	292 Units
TOTAL	1,641,500	

This development will consist of approximately 670,000 SF of new retail space, and will be a blend of major national chains as well as local retailers, a major health club, a 16-screen cinema, and numerous food service facilities, varying from fast food outlets to fine dining establishments – with the focal point being a canopy of beautiful and historic redwood trees located in the plaza, site of the original Sunnyvale town hall.

Approximately 275,000 SF of Class A office space located above ground floor retail along Mathilda will provide space for small businesses in a location with nearby mass transit and adjacent retail services. Residential units (292) will be located above the retail along McKinley and Washington Avenues and at grade along lowa.

There will be 5,650 parking spaces evenly distributed on the block in underground (30%), at grade (21%) and above ground parking structures (49%). New parking structures located internally in the northwest and southwest blocks have one level of underground parking, are screened by the retail/housing and retail/office space and are easily accessible from multiple streets. A new structure at Washington and Sunnyvale will have grade level retail space and ample above ground parking for Macy's, Murphy Street merchants and the Mall retail shoppers.

Parking	# of Spaces
Deck A - SW - Mathilda/Iowa	1,386
Underground	520
Grade Level	289
Structured	577
Deck B - NW - Mathilda/Washington	1,892
Underground	922
Grade Level	277
Structured	693
Deck C - NE - Washington/Sunnyvale	1,257
Grade Level	186
3rd Floor	1,071
Deck D - SE - Existing at Sunnyvale/Iowa	901
Underground	225
Grade Level	229
2nd Level Residential	447
On-grade Surface Spaces	215
Total Parking	5,651

The project has been planned and developed allowing motorists easy access to the site, as well as providing pedestrians the opportunity to stroll and window shop, grab a bite to eat at a restaurant or outdoor café, catch a movie, or people watch and hear a band play in the redwoods plaza – all in an exciting ad diverse, yet cohesive environment.

The west side at Mathilda Avenue is designed to maintain and enhance the avenue's standing as the business street of the city. The office space is located above street-level retail, with private entrances and lobbies fronting the street. Both the retail tenants occupying ground floors and the office entrances will have a varied palette of storefronts and entrances, precast concrete, brick, and stucco with articulated parapets.

Turning onto McKinley from Mathilda Avenue, you will see a continuation of retail storefronts with residential floors above. Wide sidewalks with patterned concrete and brick paver inserts will tie the site together the full length of the street, along with a variety of planters, street trees and furniture, street lamps, public artworks and fountains, and banners. Proceeding down McKinley you will intersect Taaffe Street, with its beautiful European-style fountain and Grand Circle, allowing traffic to flow around. Continuing, the street opens up to form a park under a canopy of existing redwood trees, and a featured glass-enclosed café. Retail tenants will blend with restaurants and outdoor cafes. The cinema complex is located opposite the redwoods plaza on the third level above two levels of retail. The cinemas can be accessed from any parking deck on the site via above-street pedestrian walkways, or by escalator from the street below. The raised pedestrian walkways connect the second level retail in a continuous loop and provide pedestrian access to parking without crossing a physical street.

As you proceed to the intersection of McKinley and Sunnyvale, you will note the gradual reduction in scale of the buildings, and the height of buildings and streetscape blending with the existing residential scale along Sunnyvale. The same is true for lowa Avenue from Mathilda east to Sunnyvale, with townhouses lining the street, taking the place of the former wall of parking decks. The townhouses will have sidewalk access from the street only, with secured and dedicated parking access from the parking decks. Locating the majority of parking at easily accessible parking structures behind street front buildings will allow for tree-lined streets with wide sidewalks and varied roofscapes and slopes.

The pedestrian activity on McKinley and Washington Avenues and the extension of Murphy Street will breathe new life into the existing Macy's and Target stores, as well as connect the merchants on Historic Murphy Street with the new Sunnyvale Town Center. The vernacular architecture of existing Murphy Street will be continued at the ground level into the new development, adding local character to the new Mall. The addition of residential units and office space will bring residents and small business owners together with retail shoppers, creating a true Downtown community. Local residents and visitors alike can stroll along Murphy Street starting at Evelyn on the north end of Downtown, selecting from a variety of restaurants, doing a little shopping, and capping off the evening with a movie at the 16-screen cinema at the south end of Murphy.

RESIDENTIAL

A total of 292 new for-sale condominium flats and townhomes are proposed for the Sunnyvale Town Center. These homes are located in four separate development areas, each of which is characterized by a distinctive architectural style.

SUNNYVALE MIXED-USE

CONDO FLAT UNIT MIX

MAZIZIALI	EV DECIDENTIAL	OVED DETAIL
IVICKINI	EY RESIDENTIAL	UVER RETAIL

MICHINEET REGIDENTIA	ie oven nem	·/-			
PLAN	TYPE	S.F.	TOTAL	TOTAL S.F.	MIX
A	1BD+DEN	850	48	40,800	21%
В	2BD	1050	60	63,000	26%
С	2BD	1200	70	84,000	31%
D	2BD+DEN	1350	50	67,500	22%
	TOTALS		228	255,300	

TOWN HOMES					
IOWA/SUNNYVALE AVE					
PLAN	TOTAL	MIX			
А	2BD+DEN	1500	27,000	18	

IOWA AVENUE PODIUM					
PLAN	TYPE	S.F.	TOTAL S.F.	TOTAL	MIX
A	3BD	1700	13,600	8	36%
В	3BD	1900	26,600	14	64%
			40,200	22	

WASHINIGTON AVENUE					
PLAN	TYPE	TOTAL S.F.	TOTAL	MIX	
А	3BD	1700	13,600	8	33%
В	3BD	1900	30,400	16	67%
			44 000	2/	

TOTAL FLATS	228	100.0%	255,300	1,120
1BD+DEN	48	21.1%	total sq ft	avg. sq ft
2BD	60	26.3%		
2BD	70	30.7%		
2BD+DEN	50	21.9%		
TOTAL TOWNHOME	64	100.0%	111,200	1,738
2BD+DEN	18	0.28125	total sq ft	avg. sq ft
3BD	46	0.71875		

TOTAL RESIDENTIAL	292		366,500	1,255
1BD	48	16.4%	total sq ft	avg. sq ft
2BD	198	67.8%		
3BD	46	15.8%		

McKinley Avenue Mixed Use Condominiums. The largest residential development area in the Town Center consists of mixed-use buildings on the north and south side of McKinley Avenue west of Taaffe Street. These buildings include ground floor retail uses along McKinley wrapping around the corners at Taaffe, with structured and underground parking located behind the retail. Four floors of residential construction will be developed above the ground floor retail and structured parking. Total height of the buildings will be five stories. The residential units in these buildings will be single story flats, one and two bedroom homes, ranging in size from 850 square feet to 1,350 square feet.

Residents parking will be provided in secure, dedicated subterranean parking area beneath each building. Residential guest parking will be provided as part of the adjacent general retail parking in the Town Center. Each building will have multiple elevators providing access from the parking areas to the residential corridors above. Each home will have a private balcony. Common open space will be provided in the form of two central courtyards with plant materials, decorative paving, seating areas, outdoor fireplaces, water features and other amenities. Units located in the central portion of each building will take access from an open air atrium which will provide additional common area landscape and hardscape. The lobby entry to each of the two buildings will be centrally located on the McKinley frontage.

The building on the south side of McKinley will have a total of 104 units with a total usable floor area of approximately 116,000 square feet. This building will be elevated in a Spanish Colonial architectural style incorporating details such as barrel tile roofs, board and batten siding, decorative shutters, metal railings at balconies, precast columns and canvas awnings. The predominant exterior building material will be stucco. The building will be well articulated, with variations in massing, color, and details used to create the appearance of multiple separate buildings that have been built next to one another.

The building on the north side of McKinley will mirror the plan of the building on the south side of the street, with an extension north along Taaffe to create a total of 124 units with a total usable floor area of approximately 138,900 square feet. This building will be elevated in an Italianate architectural style, which is compatible with yet distinct from the Spanish Colonial style of the southerly building. This building will incorporate both similar and distinctive architectural details such as corner parapets, metal railings at balconies, barrel tile roofs, precast columns, and canvas awnings. The predominant exterior building material will be stucco. The building will be well articulated, with variations in massing, color, and details used to create the appearance of multiple separate buildings that have been built next to one another.

<u>Washington Avenue Mixed Use Townhomes</u>. This residential development area will be located on Washington Avenue west of the Macy's building. This building will consist of 24 stacked townhomes providing four floors of residential living area above ground floor retail fronting on Washington. Total height of the building will be five stories. The townhomes in this building will provide three bedrooms and will range in size from about 1700 to 1900 square feet.

One level of subterranean parking beneath the retail space will provide dedicated secure parking for residents. Residential guest parking will be provided in the adjacent retail parking structure located immediately to the south. Common open space will be provided on the podium above the retail space along the southerly side of the building. This open space will include plant materials, decorative paving, seating areas, outdoor fireplaces, water features and other amenities. Elevators will provide access from the parking area to the podium common area and to a catwalk serving the upper tier of townhomes. Each home will have a private balcony.

This building will be elevated in a modern Italianate style. Details will include cornices at parapets, barrel tile roof, metal railings at balconies, canvas awnings, and bay windows. The building will be well articulated, with variations in massing, color and details used to create the appearance of multiple separate buildings developed adjacent to one another.

<u>lowa Avenue Podium Townhomes</u>. This residential development area will be located on lowa Avenue west of the Target building. This building will consist of 22 stacked townhomes providing four floors of living area. Total height of the building will be four stories. Instead of ground floor retail, this building will provide first floor front stoops and front doors opening onto lowa Avenue in a classic row townhome configuration. The lower tier of townhomes would be accessible both from lowa Avenue and from common circulation along the back of the units atop the garage. The upper tier of townhomes would be accessed from a catwalk providing common circulation on the north side of the building. One level of subterranean parking will provide dedicated secure parking for residents. Residential guest parking will be provided in the adjacent retail parking structure located immediately to the north. Elevators will provide access from the parking area to the common circulation elements above.

Apart from variations in the door locations, the floor plans in this building would be similar to the plans in the Washington Avenue Mixed Use Townhomes, providing three bedrooms and ranging in size from about 1700 to 1900 square feet. This building will be elevated in a Georgian Brownstone architectural style, with details including brick venire, front stoops, wood arbors, composite roof, canvas awnings, decorative shutters, and metal railings at balconies. Variations in massing, colors, and details will be used to create the appearance of four story rowhouses developed adjacent to one another.

lowa Avenue / Sunnyvale Avenue Townhomes. This residential development area will be located along the southerly and easterly faces of the existing parking garage located at the northwest corner of lowa and Sunnyvale. This development will consist of two buildings along the edge of the parking garage providing a total of 18 two bedroom townhomes, approximately 1500 square feet in size. Parking will be provided by creating a two car, direct access garage for each home located inside the existing parking structure. These buildings will be elevated in a Colonial Monterey architectural style with details including front stoops, decorative shutters, wood trellises, cantilever balconies, siding, and composite roofs. Front stoops will provide front access to the sidewalks along lowa and Sunnyvale Avenues. Outdoor seating, landscaping, and decorative hardscape will be provided in the corner plaza where the two buildings intersect.

Proposed Cinema Statistics

16 Screens
2,950 Seats (maximum auditorium of 350 seats)
59,217 Square Feet

Located on 3rd floor on the south side of McKinley across from the Redwood Square

Why have a cinema downtown?

Entertainment is a primary component of a successful downtown commercial development. The cinema contributes energy that enriches the nightlife of the area with its extended draw of people and diversifies the range of activities in the downtown. The cinema brings people downtown in the evening hours that are normally a lower period of activity and people that would that otherwise may not be interested in shopping or possibly frequenting restaurants. The proposed mix of uses including the Cinema makes the development more competitive in attracting people to the area when compared to Valco, San Antonio Shopping Center, Mercado, Downtown Mountain View, Downtown Los Gatos, and even Santana Row. A recent article from July 10, 2004 San Francisco Chronicle "Screen saviors, Multiplexes help revitalize Peninsula downtowns" highlights the successes of San Mateo with its recent development of a downtown cinema and the high expectations for Redwood City's new 20-screen cinema. Other professional literature over the past few years will echo this sentiment as well. The proposed space for the theater does not disrupt the vitality of retail that is necessary along the street and in fact use of upper level areas that are traditionally very difficult to lease creating a strong combination of uses that appeals to a variety of people.

How does it work?

In terms of the intensity of the use the proposed cinema is roughly 5% of the total commercial square footage. The peak parking demand for the use is approximately 9:00 p.m. when the first run of shows is ending and the second run is just beginning to fill up. Most other uses in the shopping center have died down or are closed by 9:00 p.m. Parking spaces are not designated for individual uses in the project and patrons would be able to park in any one of four parking garages. The shopping district intends to encourage moviegoers to use a variety of locations with specific focus on the upper levels of Deck C. A pedestrian bridge system then routes people directly to the theater ticket and lobby entrance which is located on the second floor of the building.

How does it compare to other places? (See Chart Next Page)

Based on the proposed number of seats the project is at the low end of the spectrum. The previously approved AMP WAVE project for the subject site had a 4,000 seat theater compared to the proposed 2,950 seats of the current proposal. Based upon a percent of the building square footage of the project the current proposal is again at the lower end of the spectrum at 5%. The comparison of the ratio of uses is useful for relating the diversity of parking ratios to the provided parking. Projects that do not have offsetting uses or an appropriate mix of uses will have a higher parking demand during peak hours of usage the cinema.

What if it doesn't succeed?

The most often cited downtown cinema example in South Bay is San Jose's failed attempt a few years back for a cinema operated by United Artists. This multi-story establishment did not operate for a lengthy period of time before going dark in the late 1990s and has in fact remained empty until this summer when a new Camera Cinema facility opened. This reopening of a cinema correlates to San Jose's efforts to bring people downtown and think of it as a destination for all times of the day not just a daytime work environment. This concern of failure for a large tenant and creating a "dead spot" is also important to the management of the district. The first point to ensure that the cinema is successful starts with choosing a strong operator. Century Theatres has a lease agreement from previous entitlements for the site and would be the operator. Century has some of the best experience at thinking outside of the box and operating multi-storied facilities in urban settings through out the country, not just operating in traditional suburban shopping centers. Century is the operator of successful San Mateo and Daly City facilities and will be the future operator of the Redwood City project. There experience lends credibility to the project.

If the operator was unsuccessful, the first choice would be to find a replacement of another theater operator. The second choice for replacement would be to take advantage of the large rectangular footprint of the facility and divide it up into flexible space for different tenant needs. Importantly the space is set away from the active parts of the shopping district and would not be likely to be detrimental as an empty space to the remaining users on the street.

Comparison of Mixed-Use Projects that include Cinemas (excerpt from AMP Staff Report)

	Mercado, Santa Clara	Saratoga 14 San Jose	Redwood City Cinema	Ontario Mills	Orange	Dublin, Hacienda	Irvine, Spectrum	Oakridge Mall San Jose	Previous AMP Sunnyvale	Current Proposal
Number of Theater Seats	4,392	2,800	4,200	5,700	6,066	4,675	6,489	approx. 4500	4,000	2,950
Theater Sq. Ft.	82,000	53,000	80,000	125,000	134,000	118,000	138,000		82,000	59,217
Number of Screens	20	14	Open 2005	22 + IMAX	25	20 + IMAX	21	20	20	16
Retail/ Restaurant Sq. Ft.	136,000	288,000	84,000	1,475,000	755,000	354,000	792,000		915,876	929,500
Office Sq. Ft.	0	0	0	0	375,000	0	0		0	275,000
Ratio of Theater sq. ft. to Other Uses	3/5	1/5	1/1	1/12	1/9	1/3	1/6		1/11.5	1/20
Parking Ratios Used	0.25/seat (cinema) 7/1000 (rest.) 5/1000 (retail)	0.25/seat (cinema) 25/1000 (rest.) 5/1000 (retail)	0.25/seat (cinema) 3.8/1000 (rest. & retail)	0.33/ seats (10/1000 (rest.) 5.5/1000 (retail)	0.135/ seats 4.9/1000 (retail & rest.) 4/1000 (office)	0.20/seat 7/1000 (rest.) 4.5/1000 (retail)	5/1000 for the whole center		4.2/1000 for the whole center	.25/seat 3.8/1000 (retail) 10/1000 (rest.) 3/1000 (office)
Total Number of Spaces Needed	1,821 with a 10% discount for shared use = 1,633	2,263 including a 5% discount for shared use=2,150	1354	N/A	5,892	2,793	4,651			5,060
Total Number of Spaces Provided	1,737 (+104)	2,030	690#	8,325	5,399 (-493)	3,012 (+219)	4,651		4,100	5,050 (-10)

#supply of 3,481 spaces within 5 minute walk in the downtown, project is not self parked

Source: Survey by Sunnyvale Planning Staff